

Session 10-09, a Regular Meeting of the Port and Harbor Advisory Commission was called to order at 5:00 p.m. by Chair Ulmer on November 17, 2010 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER ULMER, HARTLEY, HOTTMANN AND ZIMMERMAN

ABSENT: COMMISSIONERS WEDIN AND CARROLL (EXCUSED)

STAFF: HARBORMASTER HAWKINS  
DEPUTY CITY CLERK KRAUSE

### **APPROVAL OF THE AGENDA**

HARTLEY/HOTTMANN – MOVED TO APPROVE THE AGENDA.

There was no discussion

The agenda was approved by consensus of the commission.

### **PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA** *(3 Minute Time Limit)*

There were no comments from the public.

### **RECONSIDERATION**

There were no items for reconsideration.

### **APPROVAL OF MINUTES**

A. Regular Meeting Minutes for October 27, 2010

ZIMMERMAN/HARTLEY - MOVED FOR APPROVAL OF THE MINUTES OF OCTOBER 27, 2010.

There was no discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **VISITORS**

There were no visitors scheduled.

### **STAFF & COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS** *(Chair set time limit not to exceed 5 minutes)*

A. Port & Harbor Director's Staff Report – November 2010

Harbormaster Hawkins reviewed his report for the Commission. He noted the following:

1. The Departure of the Inlet Harvester
2. The Storm that hit the Spit resulted in lots of press.

3. Homer will host the 2011 Conference at Land's End. It will be the second week in October.
4. The Wrangell Conference was impressive.
5. Oil Spill at 2:00-3:00 a.m. was first noticed by Aaron Glidden. The wind had blown it into a few stalls.

**B. Lease Committee Report**

Commissioner Zimmerman gave a brief summary report on the Lease Committee Special Meeting held on November 3, 2010. The subject for review was a Lease Application Proposal from Brad Faulkner. The Lease Committee recommended approval without sending out to RFP but with conditions. This will go before the council on November 22, 2010.

There was no further discussion.

**PUBLIC HEARING** *(3 minute time limit)*

There were no public hearings scheduled.

**PENDING BUSINESS**

**A. Memorandum from Port & Harbor Advisory Commission to City Council Re: 2011 Preliminary Budget and Proposed 3% Rate Increase**

Chair Ulmer reviewed the memorandum for the Commission that was forwarded to Council. Commissioner Zimmerman expressed concern that the fees are being increased by 3% and they could address the costs in processing credit card payments. If they charged a service fee like the Kenai Peninsula Borough does they could knock it down to 1%. It was noted that they could not do that at this time. Commissioner Zimmerman noted that they paid over \$31,000 in fees up to September 30, 2010. This amount pretty much covers the proposed rate hike. He believes that they must look at what they are expending money on. He further noted that Councilmember Hogan will bring this up at the next meeting. He strongly opined that they should look into the matter and consider other alternatives.

Harbormaster Hawkins addressed the admin fee for charge cards stating that the Finance department is quick to respond that the amounts in arrears has drastically fallen since accepting credit cards for payments. People are paying better when they can use a credit card or debit cards.

Commissioner Hartley noted that the purpose is to increase revenue but that they are missing the opportunity with the parking. He stated that there are a number of options available that could be used such as a central pay station, permits, numbered or tagged slots.

Commissioner Zimmerman stated that the cash payers should receive a discount in his opinion since they did not cost the port any additional fees when paying their bill.

Harbormaster Hawkins commented that he was not against a fee, but that may result in people not paying their bill again in a timely manner.

Commissioner Zimmerman added as an FYI that if charges were made over the phone or internet the card holder could protest the charges since there is no signature on the charge.

**ZIMMERMAN/HARTLEY – MOVED TO RECOMMEND COUNCIL CONSIDER AN AMENDMENT TO THE PROPOSED PORT AND HARBOR BUDGET TO OFFER A CASH DISCOUNT UP TO 2% ON PAYMENT OF FEES BY CASH, CHECK OR NON-CREDIT DEBIT TRANSACTION.**

Commissioner Zimmerman explained that he felt there should be consideration given to the accounts that pay by cash or check. He was concerned that the fees charged to accept credit cards for payments are increasing yearly and are in effect taking away revenue. He would like to see the city consider charging an administrative fee in an amount not to exceed 3% instead of raising rates. The Commissioners discussed the turnover rate of unpaid moorage, difficulty in collecting unpaid debts, and the fees charged by collection agencies not to mention staff time. Harbormaster Hawkins noted that council would be discussing the issue along with the water and sewer fund too. Commissioner Hottmann added that this could result in a big expense to a large volume vendor. The use of debit cards with pin numbers are not as costly as a credit card. He would like to see this added to the increase in the 3%. Commissioner Hartley questioned the impact of a 2% discount on the revenue figures.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was no further discussion.

B. Memorandum from Harbormaster Hawkins dated November 10, 2010 Re: Denali Fund Grant Approval

Chair Ulmer inquired if everyone read the memorandum.

There was no discussion on this agenda item by the commission.

#### **NEW BUSINESS**

A. Memorandum from Harbormaster Hawkins dated November 10, 2010 Re: AAHPA Conference in Wrangell, Alaska

Harbormaster Hawkins summarized the conference he recently attended in Wrangell. He commented on meeting and making some contacts regarding the Pass Pass systems.

There was no further discussion.

B. Department of Fish and Game Boat Launch and Floating Dock – Design, Repair and Construction Proposal

Commissioner Hottmann requested clarification on the name Fish & Game. It was explained that this was a misunderstanding. He explained that the Department of Fish & Game approached the city regarding the existing facilities. It makes sense public access wise as Homer is larger than Seward. This would be a complete redesign and renovation. There is no time frame proposed for this project. The Commission would need to recommend City Council consider approving this project. There was some hesitation due to the cost.

HOTTMANN/HARTLEY – MOVED TO RECOMMEND CITY COUNCIL SUPPORT DESIGN, REPAIR AND CONSTRUCTION OF THE HOMER BOAT LAUNCH AND FLOATING DOCKS.

Commissioner Zimmerman commented that designing the ramp for easy repair when needing to replace sections. Harbormaster Hawkins did note that this was in the earliest stages and still may not happen if approved for a couple of years. There was a lot of work and preparation before construction starts. There was a good chance that this project would happen.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was no further discussion.

C. 2011 Meeting Schedule

HARTLEY/HOTTMANN – MOVED TO APPROVE THE 2011 MEETING SCHEDULE AS AMENDED.

There was a brief discussion regarding the schedule. It was noted that the December 21, 2011 date should be changed to December 14, 2011.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was no further discussion.

D. Election of New Vice Chair

It was noted that the new vice chair was Commissioner Zimmerman not Mr. Velsko who recently resigned his commission. He was elected during the August or September meeting.

There was no further discussion.

**INFORMATIONAL MATERIALS**

- A. Harbormaster's Monthly Statistical Report for October 2010
- B. Weekly Crane & Ice Report
- C. Deep Water Dock Report & Water Usage
- D. Pioneer Dock Report & Water Usage
- E. Pioneer Dock Ferry Landings Report
- F. Lease Expirations as of 8/31/09
- G. 2010 Commissioner Attendance at City Council Meetings\
- H. Letter of Resignation from John Velsko dated October 29, 2010
- I. Letter to Mr. Orson Smith, Alaska Harbor Observation Network, UAA School of Engineering
- J. 2010 Invitation to Alaska Regional Ports Conference
- K. Resolution 10-87, Continued Support for the Deep Water Dock

Discussion followed with comments on the total ice sales; regional hubs; container shipments and the pass-pass system used in other harbors. The commissioners requested this item to be on the December agenda along with the review of the Strategic Plan. Commissioner Hartley inquired on the status of the harbor expansion project. Harbormaster Hawkins explained that council voted to wrap this up with a technical report most of the recommendations were not financially feasible. There was a big expense within the construction costs. Comments included were they needed to keep the project alive by beating the political drum; that this project is need driven and it is a political issue. Comments were also noted on the need to spend the monies each year to dredge the US Coast Guard berth and having a larger facility that they could grow into would keep them here in Homer.

There were no further questions or comments on informational materials.

**COMMENTS OF THE AUDIENCE**

There were no comments.

**COMMENTS OF THE CITY STAFF**

Harbormaster Hawkins apologized to the Commissioners for the delay in his arrival tonight. He additionally thanked the Commissioners for serving. He noted that the space once occupied by the Inlet Harvester will be filled with a paying customer.

Deputy City Clerk Krause recommended working on updating the Strategic Plan for 2011. She recommended this for the December agenda since it was pretty light.

#### **COMMENTS OF THE CHAIR**

Chair Ulmer thanked everyone for an excellent job. She commented on the container handling and terminal ideas as a great idea for Homer.

#### **COMMENTS OF THE COMMISSION**

Commissioner Hottmann expressed his pleasure again in the availability of 208 power on the steel grid.

Commissioner Hartley congratulated the harbormaster on the removal of the Inlet Harvester.

Commissioner Zimmerman had no comments.

#### **ADJOURN**

There being no more business to come before the Commission Chair Ulmer adjourned the meeting at 6:42 p.m. The next regular meeting is scheduled for December 15, 2010 at 5:00 p.m. in the City Hall Cowles Council Chambers.

---

RENEE KRAUSE, CMC, DEPUTY CITY CLERK I

Approved:\_\_\_\_\_